

May 23, 2013

**VIA FEDERAL EXPRESS**

Ms. Mary Wesling  
Environmental Scientist  
U.S. EPA Region IX  
75 Hawthorne Street  
San Francisco, CA 94105

**Re: Rancho LPG Holdings, LLC Response to EPA's Request for Information Pursuant to 42 U.S.C. §7414(a)**

Dear Ms. Wesling:

We represent Rancho LPG Holdings, LLC ("Rancho") with respect to the requests for information contained in the notification of potential enforcement action dated March 14, 2013. Rancho has asked us to submit a supplemental response to the request for information on its behalf, and that response is provided in this letter. Rancho would like to thank EPA for the additional time provided to respond to the information requests. Rancho was able to identify some additional responsive information, which is provided below.

As stated in Rancho's April 11, 2013 and May 15, 2013 responses, we believe that Rancho is in full compliance with Section 112(r)(7) of the Clean Air Act and the implementing regulations such that no penalty is appropriate. As a result, we believe that the information requests are not truly relevant, or are at least premature in nature. Rancho nonetheless provides the following supplemental responses to EPA's two information requests.

**RESPONSE TO INFORMATION REQUESTS**

1. In its May 15, 2013 response, Rancho provided information regarding the external costs associated with the various elements of Rancho's chemical accident prevention program that were discussed in Rancho's April 11, 2013 response. Rancho's internal costs were not included because those costs are not readily discernible. Rancho could attempt to estimate the amount of time that its internal personnel spent on each of the items and from that information estimate the internal costs that were incurred with respect to each item. We believe that such a level of effort would be burdensome, and that it is premature to undertake such an effort. Rancho was able to gather some supporting information for the external costs provided in the May 15, 2013 response. This information supports the narrative response that Rancho provided on May 15, 2013.

Rancho believes it would be more efficient for the parties to first meet to discuss EPA's notification of potential enforcement action dated March 14, 2013, and Rancho's response to that notification dated April 11, 2013. To the extent that the parties agree that there were no violations of Clean Air Act §112(r), responses to the requests for information would not be relevant. To the extent that the parties disagree about whether there were violations, responses to the requests for information may become relevant. Nonetheless, the discussions on the substantive issues may serve to narrow the scope of the information requests and obviate what could otherwise be a burdensome search for documents and a burdensome estimate of the costs of internal resources expended on the various components of the development and implementation of Rancho's RMP.

2. As indicated in Rancho's May 15, 2013 response, the owner and operator of the San Pedro Terminal is Rancho. Rancho's current net worth is estimated to be approximately \$63 million. Again, Rancho believes it would be more efficient for the parties to first meet to discuss EPA's notification letter and Rancho's response. The results of such a meeting may obviate what could otherwise be a burdensome search for documents that may not be relevant to any issues that may remain.

We look forward to meeting with you to discuss EPA's notification letter and Rancho's response. Please let us know how you would like to proceed in identifying a suitable date for a meeting. In addition, we are happy to discuss the information requests and Rancho's responses to those requests. We are interested in finding a way of providing useful information that is relevant to this matter in a way that is not burdensome.

Sincerely,

DOWNEY BRAND LLP



Clifton J. McFarland

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cc: J. Andrew Helmlinger, U.S. EPA REGION IX  
John H. Kyles  
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